

disincentives that hold many back, in spite of their personal efforts to get ahead.

Federal and state governments provide financial assistance to low-income families through many means-tested programs and a variety of income tax credits. Each of these benefits is income-based, and as income rises benefits are reduced through phase-outs. These reductions occur at various earnings levels and on differing schedules.

While it is appropriate for benefits to be withdrawn as family income increases, not enough thought has been given to the combined impact on behavior of these multiple phase-outs. Different programs are created within separate Congressional committees and are implemented by assorted federal and state agencies. No one entity has the authority to consider our vast system as a whole. The Commission established under this Act would be given this task and charged with the responsibility to propose a legislative package to remove the disincentives to work and marriage that these high effective marginal rates impose.

Marginal rates matter. Economists have long contended that high tax rates affect the investment decisions of affluent individuals. People at all income levels, however, respond rationally to economic incentives and disincentives. If we want people to work their way into the middle class, we need to change a system which says that if you're poor and you struggle to earn a higher income, you won't be able to keep enough of it to make it all seem really worthwhile.

I have looked at the impact these marginal rates have on a typical single mother with two children living in Wisconsin. From \$17,000 to \$40,000 in earnings, this single parent would experience combined effective marginal tax rates in excess of 50 percent—averaging 59 percent between \$24,000 and \$41,000. At lower income levels, she even approaches a rate of 100 percent. Putting this into perspective, the U.S. corporate tax rate is 35 percent (one of the highest in the industrialized world). The highest U.S. income tax rate for individuals is also 35 percent.

Thus, for every dollar of new income earned by increased effort or the acquisition of new skills, this single mother finds herself only incrementally ahead and, perhaps, wondering whether her hard work is being justly rewarded. Despite the good intentions, these programs, in effect, offer no incentive to get ahead. Rather, the incentives are backwards and low-income workers often are encouraged to stay where they are.

The same dynamic can also affect an individual's decision whether to marry. Experts from across the political divide agree that marriage is good. Government policy, however, as enacted in this assortment of programs and phase-outs actually discourages marriage among low-income couples.

Varying benefit levels across the fifty states produce different results, but in Wisconsin, for a married couple with two children, the marriage penalty starts rising from about zero at \$19,000 of combined income to \$7,000 in after-tax income at \$28,000 of combined earnings, which is what you get if two people earn minimum wage. At \$42,000, the cost of being married reaches \$8,154. That's a high price for a marriage license.

This penalty results from the high effective marginal tax rates produced by taxes and the

phase-out of various benefit programs. As income rises, taxes go up and benefits go down. The couple that has combined their lives and their income sees a steeper loss of income than does the comparable couple that has remained unmarried. If marriage is a recognized good for both society and the individual couples, then government policy should not stand in the way of people choosing to marry.

It's time that Congress rationalizes this web of programs to ensure that hard work brings rewards by removing the punishingly high effective marginal tax rates faced by low-income individuals and families.

This is why I am introducing the Making Work and Marriage Pay Act.

My bill would authorize a Commission made up of Cabinet Secretaries, Governors, and recognized policy experts to recommend solutions for the problems posed by these high effective marginal tax rates. The Commission would be constructed to achieve partisan balance, input from states offering a varying level of income support, and expert participation from government and private sector experts.

The Commission would be charged with seeking a solution along certain policy lines, but would have full authority to offer additional policy recommendations. The Commission's recommendations would be in the form of a legislative blueprint to ease consideration of its comprehensive solution by the wide range of Congressional committees.

For too long, Congress has neglected to clean up the mess of uncoordinated federal benefit programs. The Making Work and Marriage Pay Act is the first step toward a benefit structure that rewards work and effort and reflects our shared belief that marriage is the basis of stable communities. I urge my colleagues to support this important legislation.

#### PERSONAL EXPLANATION

#### HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2011*

Mr. BLUMENAUER. Mr. Speaker, I am submitting notice that I will not be able to attend the legislative sessions of the House of Representatives on the following dates that are currently scheduled. I will be absent from July 19 through July 22 and from August 2 through August 5 for the marriages of my daughter and my son.

#### HONORING THE RECIPIENTS OF THE 2011 "FORTY UNDER 40" AWARD FOR EMERGING MAINE LEADERS

#### HON. MICHAEL H. MICHAUD

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2011*

Mr. MICHAUD. Mr. Speaker, I rise today to congratulate MaineTodayMedia and the Recipients of the 2011 "Forty under 40" Award for Emerging Maine Leaders.

The "Forty under 40" Award is given annually by MaineTodayMedia to talented individuals under the age of forty who are making

significant contributions to their career field and to the community at large. The award honors Maine's emerging generation of leaders by acknowledging their achievement and recognizing their potential. These fresh faces represent the future of our state as they come to fill the big shoes left by Maine's historic line of leaders.

I would like to take this opportunity to recognize these distinguished individuals by name:

Wendy Ayotte, Jeff Badger, Josh Broder, Rob Brown, Kevin Bunker, Adam Burk, Lindsay Cadawallader, Michael Carey, Eric Conlon, Josh Davis, Gibson Fay-LeBlanc, Chelsea Fournier, Ben Fowlie, David Gulak, Shannon Haines, Erik Hayward, David Herring, Jr., Geoffrey Iacussa, Drew Johnson, Charlie Longo.

Becky McKinnell, Corey Norman, Amanda O'Brien, Robert O'Brien, Shirar Patterson, Marc Pitman, Monica Quimby, Erica Quin-Easter, Brian Rayback, Jeremy Reynolds, Steve Sawczyn, Matthew Siegel, MD, Andrew Sigfridson, Liz Smith, Andrew Tenenbaum, Jesse Thompson, Scott Townsend, Jenna Vendil, Sean Wilkinson, Megan Williams.

Mr. Speaker, please join me in congratulating all the recipients of the 2011 "Forty under 40" Award for Emerging Maine Leaders and in thanking MaineTodayMedia for shining the spotlight on these outstanding individuals.

#### OUR UNCONSCIONABLE NATIONAL DEBT

#### HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2011*

Mr. COFFMAN of Colorado. Mr. Speaker, today our national debt is \$14,342,977,065,892.73.

On January 6, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$3,704,551,319,598.93 since then.

This debt and its interest payments we are passing to our children and all future Americans.

#### CONGRATULATING TRINITY BALLPARK FOR HOSTING C.A.B.A. MIDWEST NATIONAL CHAMPIONSHIP

#### HON. TODD ROKITA

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2011*

Mr. ROKITA. Mr. Speaker, I rise today to recognize and congratulate, Trinity Ballpark located in Noblesville, Indiana, for hosting this year's C.A.B.A. Midwest National Championship.

The Continental Amateur Baseball Association was developed by Ron Golden and Roger Tremaine in 1984 to provide youth the privilege to compete at the national level. C.A.B.A. hosts events at the national level for age groups 9–18. Since C.A.B.A. was first started, thousands of teams from nearly every state along with other countries including Panama,